The Honorable Julius Genachowski Chairman Federal Communications Commission 445 Twelfth Street, SW Washington, DC 20554

The Honorable Eric H. Holder U.S. Department of Justice 950 Pennsylvania Avenue, NW Washington, DC 20530

Dear Chairman Genachowski and Attorney General Holder,

As the mayors of the major urban centers in upstate New York, we write to express our concerns with the Verizon Wireless/cable company alliance that your agencies are currently reviewing.

We are deeply worried that the anti-competitive partnership between Verizon Wireless, the nation's largest wireless provider, and four of the leading cable companies – Comcast, Time Warner Cable, Cox, and Bright House Networks – will have a negative impact on economic development and job creation in our cities, leading to higher prices, fewer service options, and a growing digital divide.

In December 2011, Verizon Wireless and the four cable companies announced a transaction that includes not only Verizon's purchase of wireless spectrum but also joint marketing agreements in which the parties agree to promote, market, and sell each other's products and services and to form a joint venture to develop, on an exclusive basis, proprietary new technologies.

Our cities are the largest population centers in New York State, after New York City. Collectively, nearly than 750,000 people, thousands of businesses, major medical centers and universities, a vibrant financial sector, a strong manufacturing base, as well as the state capital, are located in our upstate New York cities. However, broadband and cable infrastructure which are so vital to economic growth, jobs, and the social fabric have not kept pace.

Verizon has not built its all-fiber FiOS network in any of our densely-populated cities. Not in Albany, Binghamton, Buffalo, Cortland, Elmira, Kingston, Syracuse, Troy, and Utica. Yet, Verizon has expanded its FiOS network to the suburbs ringing Buffalo, Albany, Troy, and Syracuse, as well as many places in the Hudson Valley, and most of downstate New York. As a result, the residents and businesses in our cities are disadvantaged relative to their more affluent suburban neighbors who have access to Verizon's FiOS, providing competitive choice in high-speed broadband and video services.

As you are well aware, high-speed broadband is critical to economic development and job creation, as well as improvements in health care, education, public safety, and civic discourse which is so essential to communal life. The economic health of our cities and our upstate region depends upon access to the same first-rate communications infrastructure available to the New York City metropolitan region and the suburban communities that ring our cities. Despite Verizon's past refusal to build its FiOS network in our cities, we were hopeful that this situation would change because, as Verizon's top executives recently noted, FiOS' strong financial performance would lead the company to "fill in" gaps in its FiOS network.

But now, as a result of the Verizon/cable joint marketing agreements, we fear that Verizon will never build its FiOS network in our cities. These commercial agreements appear to eliminate any incentive that Verizon might have had to expand its all-fiber network to our high-density urban centers. After all,

Verizon Wireless, a subsidiary of Verizon Communications, will now be able to sell Time Warner's video and broadband service as part of their bundled package in our communities.

Moreover, Verizon recently announced that it will no longer sell stand-alone DSL services. This leaves the citizens and businesses in our cities and region captive to the dominant cable and broadband provider, which in our region is Time Warner Cable. Without consumer choice and competitive alternative, consumers and businesses will experience rising prices for video, Internet, and voice telephony services, less innovation, and reduced quality of service.

In addition, thousands of good, middle-class jobs that would otherwise be needed to build, maintain, service, and sell the Verizon FiOS network will go away. These jobs are vital to our region.

As you review the Verizon Wireless/cable transaction, we strongly urge you to examine the impact of this transaction on competition and consumer choice, and ensure that our communities are not left behind.

Sincerely,

Byron W. Brown Mayor, City of Buffalo Stephanie A. Miner Mayor, City of Syracuse

Gerald D. Jennings Mayor, City of Albany Matthew T. Ryan Mayor, City of Binghamton

Shayne R. Gallo Mayor, City of Kingston Susan Skidmore Mayor, City of Elmira Brintoli

Brian Tobin Mayor, City of Cortland Robert Palmieri Mayor, City of Utica

Lou Rosamilla Mayor, City of Troy

Cities without Verizon FiOS Compared to Surrounding Suburbs with FiOS Median Household Income, Poverty Rate, % Minority

	% Minority	Median Household Income	Poverty Rate
Buffalo - No Verizon FiOS	44.9%	\$29,285	28.8%
Buffalo Suburbs with Verizon FiOS	4.9%	\$56,925	8.2%
Albany - No Verizon FiOS	44.8%	\$39,158	25.3%
Troy - No Verizon FiOS	28.6%	\$36,675	25.1%
Albany Suburbs with FiOS	13.4%	\$70,540	5.4%
Kingston – No Verizon FiOS	31.5%	\$44,939	15%
Syracuse - No Verizon FiOS	38.0%	\$30,891	31.1%
Syracuse Suburbs with Verizon FiOS	6.7%	\$52,961	7.0%
Source: Calculations based on U.S. Census, American Community Survey, 2006 through 2010			

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